



The McDonaldization of China

A Curriculum Project

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Introduction

The author had the privilege of traveling to China on a Fulbright-Hays study tour during the summer of 2009. While sociologists have been studying the effects of McDonaldization in U.S. society since 1993, few have studied how Chinese society has been influenced by this phenomenon. James Watson and his team studied the phenomenon in 1997 and their book, *“Golden Arches East: McDonald’s in East Asia”* is an excellent resource for anyone studying this topic, especially the first two chapters. During a lecture at Chongqing University, Professor Zhang Jin mentioned that the idea of Scientific Management was being explored in China during the early 20th century by such business leaders as Lu Zuofu with his experiment at Beibei. This “model society” was implementing the same values in the early 20th century that McDonald’s later touted in the U.S. fifty years later. The author suspected that they had a common ancestor in Taylorism, a business model developed in the U.S. around 1900. Further research found that indeed, they shared that common ideology. Could this be the reason that the Chinese have adapted so well to an open market system? The ideas were not new, having, in fact been explored by Chinese business leaders prior to the Cultural Revolution.

This curriculum project explores the history of Scientific Management in China and the U.S. It also looks at the concept of McDonaldization and how McDonalds has had to adapt to succeed in China. It explores how Chinese customers have changed as a result of exposure to McDonalds. Although Yum’s has been operating in China as Kentucky Fried Chicken for a longer time and has more restaurants in China than McDonalds, the focus of this paper is McDonaldization and McDonalds was the first business to employ Scientific Management to the food industry. While this type of business management can increase efficiency, there are negative consequences of “going too fast”. The paper concludes by looking at some of the negative consequences of the Chinese people adopting Western eating habits and lifestyles.

There are suggested questions to guide students through the project and some suggested websites students can visit to explore this phenomenon further.

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The McDonaldization of China

“Treat human beings as human beings”

The term McDonaldization is attributed to Dr. George Ritzer in 1993 and refers to the trend of characteristics of the fast food industry being applied to more areas of modern life. Historically the McDonalds restaurant chain has roots in Taylorism. While Frederick Taylor’s ideas and methodology have been recently challenged, they strongly influenced the industrial revolution in the U.S. (LePore, 2009). The ideas of Taylorism in the United States were used by Henry Ford in developing the assembly line to increase the efficiency of automobile production. With cars came highways and the interstate system. Ray Kroc took the idea of the assembly line and applied it to food preparation. Kroc combined the franchise concept developed by Howard Johnson’s with the assembly line of food preparation to develop the McDonalds corporation. McDonalds increased efficiency and profit through tight control over employees and business practice. These ideas were not new but Kroc combined them in new ways. Currently, McDonalds is using these same ideas but in new ways to adapt to Chinese culture. These ideas have taken on uniquely Chinese characteristics in the process.

The four primary components of McDonaldization are efficiency, calculability, predictability and control. These components can be traced to the ideas of Scientific Management practiced by Chinese businessmen in the early 1900’s. While these concepts were dormant during the Mao years, they have reemerged with the opening economy. Ritzer warns that this narrow scope, focused on efficiency and profit, can lead to outcomes that are irrational or harmful. By emphasizing quantity over quality, we have a loss of quality in the product and labor. Predictability and control over products and personnel leads to an absence of creativity. The focus on efficiency (getting from point A to point B as quickly as possible) means that every aspect of the organization is geared toward the minimization of time – in the case of McDonalds getting from hungry to full in the least amount of time. (Ritzer, 1993) With increasing size, these rational systems become irrational; there is a loss of efficiency for the consumers.

This speed and efficiency make cultural sense only in the context of China’s adoption of the fast tempo of modern life. China’s rapid economic development provided the context for fast food culture. Railroads in China are one of the remaining state run agencies; our group had the pleasure of riding from Beijing to Xian in July of 2009. We waited for two hours to have our order taken in the (non)dining car. This was a good example of the traditional slow pace of preparing and consuming food in China. Eating fast food makes sense only in the context of a fast paced life. “Except for the delicious burgers, crispy French fries and icy milk shakes, there was the image of an affable and farcical Ronald McDonald, the striking yellow, red and blue décor, the smiling attendants and the quick service, in sharp contrast to poor service customers had long endured at local restaurants.” (*China Daily*,2008)

The History of Scientific Management in China

“Everything modern is ancient”

The history of western style business management is not new to China; in fact Chinese businessmen were experimenting with Taylorism in the early 20th century. While we in the U.S. often think of McDonaldization as being a new phenomenon, it has roots going back over 100 years both in the West and China. This fact may help to explain why the modern Chinese people have taken so well to an open market system; the ideology of a scientific approach to business was introduced by owners of steel mills, cotton mills and the shipping industry in the early 1900's in China. This scientific approach to business included not only the business practices but also social and educational aspects of the workers' lives. One of these pioneering businessmen was Lu Zuofu of the Ming Sung (Minsheng) Shipping Company.

Lu Zuofu was born in 1893 in Sichuan Province and was not able to finish primary school due to poverty but dedicated himself to self education. From 1927 to 1937, Lu Zuofu organized a rural reconstruction project at Beibei near Chongqing in Sichuan Province. This project was aimed at modernizing a rural village, called “Modern Group Life.” By 1948, Beibei was designated Sichuan Province's “Model Experimental District” and Lu Zuofu was named as one of “the four unforgettable persons of our national economy” by Mao Zedong. This Modern Group Life was connected with Mr. Lu's shipping business but was also an attempt to change the living conditions of the workers at the company. He trained his workers for “service to other people and society.” He saw a connection between modern life and hygiene. The emphasis on hygiene was both personal and public and undertaken as a preventative against the spread of disease. He declared that sanitation and health were the most urgent tasks for modernization at Beibei. He attempted to provide medical care for all citizens through the establishment of rural hospitals. Lu Zuofu also took steps to make food sanitary, streets clean, and to implement garbage and sewage disposal. The term “Weisheng” came to mean not only cleanliness and health but a new lifestyle for the people of Beibei. In addition to the hygiene programs, Modern Life Style improved education in Beibei. There was an emphasis on educating workers in order to improve productivity. (Zhang Jin, 2009)

During the interwar years in China, many multinational organizations entered China, including American companies. They brought with them the ideas of Taylorism, which is more than a cult of efficiency; it is a complex set of ideas and values. These ideas and values included educated workers and cooperative harmony between labor and capital. This emphasis on harmony is a strong cultural trait of China as is the value of education. An additional cultural similarity is that of the social and cultural networks that facilitate commerce. (Morgan, 2006) These ideas never left China; they re-emerged with Chinese Market Socialism in 1978.

This early experience with scientific business methods is similar to current Chinese business practices. “Scientific management” is frequently invoked to raise competitiveness of Chinese enterprises today, even by the former President Jiang Zeming in 2000. “Scientific management (*kexue guanli*) not only needs to embrace the management of state affairs, the economy, society and culture, but also embrace the management of every branch of industry and government.” (Morgan, 2006) Chinese business leaders of the early 1900’s paved the way for the current economic success through introducing a business model and improving the living conditions and educational levels of their employees as a way to improve profits. But as Ritzer warns, there is a price to be paid for these rationalized systems.

McDonalds in China

“If there’s something wrong with the present, blame the past”

The history of McDonalds in China dates to the year 1992 when the first restaurant opened in Beijing, close to Tiananmen Square. The historic and cultural significance of this location are not coincidence, many McDonalds restaurants are located near high tourist traffic areas. The first day of business, the first McDonalds served 40,000 people. This restaurant had 700 seats and 29 cash registers. McDonalds has grown to 2,012 restaurants in China in 2008 with plans to open 500 new locations in the next three years. (Yan and Li, 2009)

Why have fast food restaurants in general, and McDonalds in particular, been so successful in China? The emphasis on Quality, Service, Cleanliness and Value resonate with values introduced in the early 1900’s through Scientific Management. The Chinese customers perceive McDonalds as being scientifically prepared in a clean environment. The food is seen as safer than food purchased at the road side food stalls traditional to China. McDonalds corporation’s emphasis on cleanliness is appreciated by customers, reminiscent of the public hygiene emphasized by Lu Zuofu in Beibei in the 1930’s. Owners of the Chinese McDonalds even offer tours of their kitchens to reassure customers of their cleanliness. The sidewalks in front of McDonalds are kept clean by employees. Customers have been taught to clear their own tables by employees who also had to teach Chinese customers to queue, a practice not common until recently. (Watson, 1997)

McDonalds corporation initially didn’t think the Chinese populous was wealthy enough to support their food chain. On their second market research trip they decided that children were the target market for their food. The “one child policy” has had an influence on the popularity of Western fast food. Parents who have only one child want that child to succeed at all costs; being “western” is a prerequisite for success. There is a saying in China: “2-4-8 (pronounced ‘er’, ‘si’ and ‘ba’)you get fat.” This refers to one child having 2 parents, 4 grandparents and 8 great grandparents who all dote on that child. (Cheng, 2008) They may not be able to afford sending their children to the west for a college education, but they can afford taking them to McDonalds. It is common to see parents or grandparents watching their children eat at fast food restaurants. Parents want to please their children so when the child want to eat at McDonalds the parents comply. McDonalds has become the number one location for Chinese children’s birthday parties. (Wang, 2009) This fact is particularly surprising in that traditionally people in China did not celebrate birthdays. It appears that McDonalds has been successful in capturing the children’s market in China.

Chinese from rural provinces see Western fast food restaurants as a cultural experience, a way to experience the West without traveling to other countries, an exotic food they can brag about when they return to their villages. It should be noted that food in China for many years was scarce as is still the case in Western Chinese provinces. The large cities in Eastern China are now seeing financial wealth and excess food. Traditionally, being overweight was considered good; a healthy baby was a fat baby. Rates of obesity have risen 97% between 1992 and 2002 according to the Chinese CDC. Of particular concern

Is childhood obesity and the diseases associated with that such as diabetes and heart disease. This problem is mostly in urban areas; in the rural areas, malnutrition and famine remain the major concern around food. Parents who suffered famine during the Great Leap Forward want their children to be well fed and westernized. As one father stated, "Our daughter will definitely be taller than us. She has eaten better than my wife and I. When I grew up, in winter all we had to eat was cabbage." Only 45 years ago, China was still in the grips of massive famine, it is estimated that 30 million people starved to death during the Great Leap Forward. Malnutrition remains a problem for the rural poor, especially in Western China according to UNICEF. (MacLeod, 2007) So when people from the poorer western provinces of China have an opportunity to travel to the urban centers, a trip to McDonalds is a "tourist stop" – a way to see the wider world.

Chinese cultural adaptations to McDonalds

“If you have a full stomach you don’t get homesick”

As mentioned earlier, the Chinese customer has had to be trained to be a good McDonalds customer. The idea of standing in line seems to be foreign to Chinese culture. Chinese patrons feel that they are eating at a restaurant so the idea of busing your own table is not appropriate; especially considering that the price of a meal at McDonalds is quite high for the average Chinese consumer. When Chinese exhibit appropriate McDonalds customer behavior they are showing their cultural competency –they have been “westernized”. A more recent addition to McDonalds is the drive-through. 14% of Chinese households purchased cars between 1989 and 1997 making the drive-through feasible. The author did not observe ANY parking lots at McDonalds in China which would make a drive-through even more appealing. What McDonalds managers in China found was that people would drive through to order and pick up their food, park the car and go into the restaurant to consume their food. McDonalds corporation is trying to educate the Chinese on the proper use of the drive-through, another cultural adaptation. McDonalds recently signed a contract to open restaurants at Chinese rest stops.

McDonalds is seen as a symbol of equality as both customer and server are standing during their transaction. Also, there is no “loss of face” if the table next to you orders a bigger “banquet”. It is seen as a safe place to bring a date for young people as there is no competition for ordering bigger meals than the couple at the next table. It is a way for a young man to show his date how cosmopolitan he is without spending too much money. Some McDonalds have even installed a “lover’s corner” with tables for two for people on dates. (Watson, 1997)

Single women in China see McDonalds as a safe place to eat because alcohol is not served. Also, it is acceptable to eat alone publicly at McDonalds. The restaurants are seen as quiet places to rest, customers stay for hours during off peak times of operation. The bathrooms are clean and the restaurants are heated and cooled, amenities not all Chinese have in their homes. Chinese cities are crowded and hot for much of the year; McDonalds is an oasis of calm in comparison to the streets in urban areas.

Not only is McDonalds a favorite place to celebrate their children’s birthdays, it has become a place for families to celebrate the holidays. McDonalds has marketed itself as a family restaurant through many marketing schemes including having family slogans on their walls, and hiring people from many generations. Ronald McDonald is known as “Uncle Ronald” and many restaurants have an “Aunt McDonald” who offers parenting advice to parents and serves as a hostess for children’s parties. She also keeps track of children’s birthdays and visits them at home.

For people from remote rural areas who cannot get home for holidays, McDonalds has become a “home away from home”. The restaurants’ busiest times are during holidays. It is a way for extended families to publicly show their unity on special occasions such as anniversaries. One attraction is that it is much more affordable to feed a large group than the traditional Chinese banquet

on special occasions. (Watson, 1997) “During the 2004 Spring Festival, McDonalds on Beijing’s Wangfujing Street attracted many people with a traditional Chinese look, decorating their interiors with paper-cuts of the Chinese character Fu (happiness), magpies and twin fishes, all auspicious symbols.” (*China Today*, 2004). McDonalds has even added a Chinese New Year Happy Meal for adults complete with red packaging and Chinese horoscope letters (see McDonalds.com web page for images).

McDonalds Corporation's adaptations to Chinese culture

"If you want to be rich you have to build a road first"

Initially, McDonald's tried to present itself as a Chinese corporation through having 50% local ownership and buying products locally. They also invested in local schools and gave scholarships and prizes for contests. Many Chinese children identify Ronald McDonald as being Chinese. But Chinese people don't want to go to a Chinese restaurant; part of the allure is going to a Western restaurant. The new McDonalds director in China is trying to reestablish the perception of McDonalds being a foreign business. "People want McDonald's to be a Western brand, when people come to us, they want an alternative to what they can get everywhere else," says Gary Rosen, McDonald's chief marketing and corporate affairs officer in China. Jeffrey Schwartz, McDonald's China CEO in 2008 said that "We do extensive focus group studies of Chinese consumers, and one of the things that Chinese consumers say over and over again is the 'we come to you because you are a Western brand, if we want to eat rice or congee we can eat it at home...we want to sample the Western brand.'" (*China Daily*, 2008) They have reintroduced the old standard Quarter Pounder and rid the menu of Asian items. The word "beef" in Chinese has connotations of manliness, strength and skill. Chinese consumers consider it a luxury good. Eating beef is associated with a boost in energy and heightened sex appeal. (Dow Jones & Company, 2006)

Another adaptation that McDonalds has made is to have restaurants open 24 hours every day. Most McDonalds in China do not have parking lots but are two or three stories tall. Some have walkup counters on the sidewalk level and dining areas on a different floor. They have also added take out menus and delivery drivers (Griffith, 2008) This may be due to the high cost of retail areas in large cities. Bringing the food to the customer makes sense in places where traffic congestion makes it difficult for the customer to come to the food. As an aside, when our group was quarantined due to H1N1, our hosts brought us McDonalds food. McDonalds has absorbed the traditional Chinese cultural elements of showing respect, recognition, understanding, assimilation and amalgamation, while maintaining the substance of the Western culture of efficiency, freedom, democracy, equality and humanity, according to *China Daily* (2005)

Implications for China from McDonaldization

“There are no endless banquets”

What are some of the harmful or irrational results of the McDonaldization of China?

There is growing concern in China over the striking rise in obesity rates. While this cannot be attributed solely to the introduction of Western food to the diet, the correlation between obesity rates and eating fast food is strong. In Chinese culture there is still a belief that excess body fat represents health and prosperity (Wu, 2006). Energy intake from animal sources has increased from 8% in 1982 to 25% in 2002. The explanations of China's recent epidemic of obesity have been attributed to many factors: changes to the traditional diet, reduced levels of physical activity and excessive TV watching. Bicycles used to be the basic means of transportation in China, there has been a quadruple increase in car ownership from 1980 to 2003. (Cheng, 2008)

Obesity among China's 1.3 billion people doubled among women and tripled among men from 1989 to 2000. The number of obese and overweight people in China could double in 20 years. Deaths from heart disease and cancer linked to diet have climbed 20% since 1985. (Alesci, 2008) Of even more concern is the growing rate of childhood obesity. Almost one in five children under the age of seven is overweight and more than seven percent are obese. These numbers are higher than in European countries, while the gross domestic product in China is much lower. (BBC News, 2004)

Two other problems are diabetes and hypertension. According to Tsung O. Cheng, MD, “In China, the number of diabetics is increasing by 3,000 a day; and that of hypertensive patients, who exceed 100 million, is rising at an annual rate of 2.5%.” (Cheng, 2001) “In countries like China, diabetes happens already at a younger age than it happens in the U.S. and it's going up.” (National Geographic, 2006) The Chinese government is being urged by health professionals to address this problem now, before it becomes entrenched. There is some evidence that lifestyle changes and education can have an effect on reducing rates of obesity and diabetes, but there needs to be a will to change. As long as excessive body fat is symbolic of health and prosperity, lifestyles will not change. As Wang Longde, Chinese vice health minister stated, “The Chinese population does not have enough awareness and lacks knowledge of what is a reasonable nutrition and diet.” (China Daily, 2008) The irony is that many in the West look to the traditional Chinese diet as being nutritionally superior.

Conclusion

This project has explored the history of the fast food industry in China and the U.S. While the Chinese population is busy embracing the Western lifestyle and business practices, it is important to remember that the seeds of Scientific Management were sown by Chinese businessmen at the turn of the 20th century. The population of the U.S. was exposed to the benefits and risks of the fast food industry dating back to the mid 1950's. Chinese people living in the large urban areas in Eastern China have only recently begun to experience the health implications of a "fast food nation". We in the U.S. have an awareness of the health implications of the lifestyle and dietary practices of modern life. People living in China need to be educated about the risks of this lifestyle. There are many positive aspects of modern life and capitalism. Hopefully China can learn from the mistakes made in the West in adopting the fast pace of the modern world.

Appendix A

Learner Outcomes

McDonalds Corporation in China

This lesson will enable students to:

- A. Identify the history of scientific management in China and the U.S.
- B. Define and give examples of McDonaldization
- C. Identify Chinese cultural adaptations to McDonalds
- D. Identify how McDonalds corporation has adapted to Chinese culture

Additional lessons could explore the nutritional value of McDonalds menu, found at their web site.

Some fantastic photos of McDonalds in China can be found a Google images.

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